IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE

PIXION, INC., a Delaware corporation,

Plaintiff,

Case No.

VS.

BLACKBOARD, INC., a Delaware corporation,

DEMAND FOR JURY TRIAL

Defendant.

COMPLAINT FOR PATENT INFRINGEMENT

Plaintiff Pixion, Inc. hereby alleges the following against Defendant Blackboard, Inc.:

NATURE OF THE ACTION

1. This is an action under the U.S. Patent Act, 35 U.S.C. § 1 *et seq.*, for infringement of several patents assigned to Pixion, Inc.

THE PARTIES

- 2. Plaintiff Pixion, Inc. ("Pixion") is a Delaware corporation.
- 3. Defendant Blackboard, Inc. ("Blackboard") is a Delaware corporation. Blackboard may be served via its registered agent, The Corporation Trust Company, located at 1209 Orange Street, Wilmington, Delaware, 19801.

JURISDICTION AND VENUE

- 4. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).
- 5. Blackboard is subject to personal jurisdiction in the District of Delaware (the "District") because Blackboard is a corporation organized under the laws of the State of Delaware, has a

registered agent for service of process in Delaware, and at least thereby avails itself of the privileges and protections of the laws of the State of Delaware. Furthermore, Blackboard regularly solicits and transacts business in the District, offers the accused product in the District and derives revenue from licensing the accused product in the District, via its active website. Specifically, consumers in the District that visit the Blackboard active website can access and use the accused product by going to http://try.bbcollaborate.com/trial/register.go and registering for a free trial of the accused product. **Exhibit A**. Upon completion of the registration form, visitors receive an email from Blackboard that includes a link to a virtual trial room. **Exhibit B**. Blackboard's email describes the virtual room as being able to support "unlimited meetings, classes, training, events, in real-time for up to 25 participants. You don't need a password to access your virtual room or to invite others." Visitors in the District who wish to access and use all of the features of the accused product are invited to purchase and acquire a full license via the Blackboard active website. Visitors interested in acquiring a full-license are invited to request a quote by going to http://collaborate.blackboard.com/LP=119 and filling out the request form.

Exhibit C.

6. Venue is proper in the District pursuant to 28 U.S.C. §§ 1391 and § 1400.

THE PATENTS-IN-SUIT

7. Pixion is the owner by assignment of the entire right, title, and interest in United States Patent No. 7,418,476 (the "476 Patent") entitled "Presenting Images in a Conference System." The '476 Patent was duly and legally issued by the United States Patent and Trademark Office on August 26, 2008. The '476 Patent is valid and enforceable. A true and correct copy of the '476 Patent is attached hereto as **Exhibit D**.

- 8. The '476 Patent contains three independent claims and twenty-eight dependent claims.

 The accused infringing product (hereafter "Accused Blackboard Product" or "Accused Product") infringes at least independent claims 1 and 10 of the '476 Patent.
- 9. Pixion is the owner by assignment of the entire right, title, and interest in United States Patent No. 7,836,163 (the "163 Patent") entitled "Management of Stored Conference Data." The '163 Patent was duly and legally issued by the United States Patent and Trademark Office on November 16, 2010. The '163 Patent is valid and enforceable. A true and correct copy of the '163 Patent is attached hereto as **Exhibit E**.
- 10. The '163 Patent contains one independent claim and thirty dependent claims. The Accused Product infringes at least independent claim 1 of the '163 Patent.
- 11. Pixion is the owner by assignment of the entire right, title, and interest in United States Patent No. 7,197,535 (the "535 Patent") entitled "System and Method for Frame Image Capture." The '535 Patent was duly and legally issued by the United States Patent and Trademark Office on March 27, 2007. The '535 Patent is valid and enforceable. A true and correct copy of the '535 Patent is attached hereto as **Exhibit F**.
- 12. The '535 Patent contains three independent claims and eight dependent claims. The Accused Product infringes at least independent claims 1, 10 and 11 of the '535 Patent.

DESCRIPTION OF THE ACCUSED PRODUCT

13. The Accused Blackboard Product infringes one or more claims of the '163 Patent in that it, among other things, supports video conferences, receives data generated during such video conferences, stores the data via a recording feature that can begin the recording in response to a triggering event, allows retrieval of recorded conferences in response to a user request after a

live conference has ended, and plays the recorded conference to the requesting user as a stream of conference data.

- 14. The Accused Blackboard Product infringes one or more claims of the '476 Patent in that it, among other things, supports an application sharing feature in a conference system in which images are presented to conference participants after at least one user selects an application on the user's display; captures the images associated with the selected application; and transmits data associated with the captured images to one or more other conference participants, using a time stamp with the transmitted data to synchronize the display of the transmitted data between the user's computer and at least one second computer of another conference participant.
- 15. The Accused Blackboard Product infringes one or more claims of the '535 Patent in that it, among others things, supports an application sharing feature in a conferencing system in which a user may select an area of a display on their computer; translates the selected area into boundary positions that are independent of the boundaries of the display and of any window on the display; and selects the frame image within the boundary positions for capture.

COUNT 1

Infringement of U.S. Patent No. 7,418,476

- 16. Pixion repeats and re-alleges each of the allegations set forth in paragraphs 1 through15 above as if fully set forth herein.
- 17. Blackboard directly infringes at least claims 1 and 10 of the '476 Patent by making, using, selling, distributing, and offering to sell a method and system for presenting images in a conference system which performs the method and system claimed in the '476 Patent, in violation of 35 U.S.C. § 271(a).

18. Pixion has been and continues to be damaged by Blackboard's infringement of the '476 Patent in an amount to be proven at trial.

COUNT II

Infringement of U.S. Patent No. 7,836,163

- 19. Pixion repeats and re-alleges each of the allegations set forth in paragraphs 1 through 18 above as if fully set forth herein.
- 20. Blackboard directly infringes at least claim 1 of the '163 Patent by making, using, selling, distributing, and offering to sell a method for managing stored conferencing data which performs the method claimed in the '163 Patent, in violation of 35 U.S.C. § 271(a).
- 21. Pixion has been and continues to be damaged by Blackboard's infringement of the '163 Patent in an amount to be proven at trial.

COUNT III

Infringement of U.S. Patent No. 7,197,535

- 22. Pixion repeats and re-alleges each of the allegations set forth in paragraphs 1 through 21 above as if fully set forth herein.
- 23. Blackboard directly infringes at least claims 1, 10 and 11 of the '535 Patent by making, using, selling, distributing, and offering to sell a method and system for presenting images in a conference system which performs the method and system claimed in the '535 Patent, in violation of 35 U.S.C. § 271(a).
- 24. Pixion has been and continues to be damaged by Blackboard's infringement of the '535 Patent in an amount to be proven at trial.

DEMAND FOR JURY TRIAL

25. Pixion demands a trial by jury on all issues so triable.

PRAYER FOR RELIEF

For all the foregoing reasons, Pixion respectfully that this Court enter:

- A. A judgment in favor of Pixion that Blackboard has directly infringed the '476 Patent, the '163 Patent and the '535 Patent;
- B. A judgment and order requiring Blackboard to pay Pixion damages adequate to compensate Pixion for Blackboard's infringement pursuant to 35 U.S.C. § 284, including costs, expenses, and pre-judgment and post-judgment interest; and
 - C. Any and all other relief to which Pixion may show itself to be entitled.

Dated: July 1, 2014.

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